



CITY OF NEWPORT BEACH BENEFITS SUMMARY

Key and Management Employees Effective July 1, 2010 through June 30, 2012

This is a general outline of employee compensation and fringe benefits. For a complete explanation of benefits, benefit eligibility and restrictions, please refer to the current Key & Management Compensation Plan.

GENERAL PROVISIONS

Divisions: The Key & Management Group is divided into five categories: Executive Management, Administrative Management, Administrative Management (Safety), Division Head, and Confidential.

COMPENSATION

Salary Adjustments: No salary changes will be implemented through 2011. Effective January 1, 2012, salaries will be increased by an amount equal to the increase in the CPI Los Angeles/Orange County Urban Wage Earners Index for the 12 month period commencing November 2010, with a minimum 1.5% increase and a maximum 3% increase.

Comp Time Accrual: Non-exempt personnel may accrue a maximum of 80 Comp Time hours. Comp Time shall be calculated at the rate of one and one half (1.5) hours for each hour worked in excess of the basic 40 hour work week.

Bi-lingual Pay: Eligible employees may earn \$150 per month upon approval of the Department Director. Testing is required. **(Directors excluded)**

LEAVES

Holidays: Twelve (12) holidays per year which include: Independence Day, Labor Day, Veteran's Day, Thanksgiving, Friday following Thanksgiving, half-day Christmas Eve, Christmas, half-day New Year's Eve, New Years Day, Martin Luther King Day, President's Day, Memorial Day, and a Floating Holiday (1) credited on July 1st. All holidays are credited at eight (8) hours.

Family Leave Laws: California Family Leave laws allow employees specific leave benefits. Please refer to the Employee Policy Manual for information relating to leave for the birth of a child, placement of a child in foster care, adopting a child, or the serious health condition of the employee, the employee's parent, child or spouse.

Bereavement Leave: Forty (40) hours per incident per year for the death or terminal illness of an immediate family member.

Flex Leave: Regular full-time employees enrolled in the flex leave program will earn leave at the following accrual rates:

Years of Continuous Service	Accrual per Pay Period	Annual Days	Maximum Accrual Rate
1 but less than 5	5.54	18	432.12
5 but less than 9	6.15	20	479.70
9 but less than 12	6.77	22	528.06
12 but less than 16	7.69	25	599.82
16 but less than 20	8.31	27	648.18
20 but less than 25	8.92	29	695.76
25 and over	9.54	31	744.12

Regular full-time employees in the **Executive Management category** will earn flex leave according at the following accrual rates:

Years of Continuous Service	Accrual Per Pay Period	Annual Days
1 but less than 15	8.31	27
15 and over	9.23	30

Administrative Leave: Exempt personnel may receive a minimum of 8 hours and a maximum of 80 hours of Administrative Leave each calendar year. Hours are determined by the Department Director.

Leave Sellback: Employees have the option of selling back flex or vacation leave hours in excess of 160 twice per year.

BENEFITS

Cafeteria Plan: The City contributes \$1,049 per month plus the minimum CalPERS medical contribution for employees to purchase health benefits. Any unused cafeteria plan funds shall be payable to the employee as taxable cash back. Effective January 1, 2011, the contribution will \$1,149 per month plus the minimum CalPERS medical contribution. Effective January 1, 2012, the contribution will \$1,249 per month plus the minimum CalPERS medical contribution.

Disability Insurance: City disability coverage requires a 30 calendar day waiting period. Employees contribute 1% of base salary toward disability insurance. The weekly benefit is 66 2/3% of gross salary up to maximum of \$10,000 per month; minimum benefit is \$50.

Life Insurance: City paid policy up to \$50,000 in coverage based on annual salary.

Employee Assistance Program (EAP): The EAP provides confidential counseling, education and referral on work and life issues at no cost to the employee; subject to provider guidelines.

Tuition Reimbursement: Reimbursement up to \$1,400 per fiscal year for job related, off-duty courses that are in furtherance of a degree or certificate.

Retirement: PERS 2.5% @ 55 formula (Miscellaneous employees) with an employee contribution of 3.42%. Effective January 1, 2011, the employee contributes 4.92% to the plan and increases to 6.42% effective July 2, 2011, and to 8% effective January 1, 2012. For Safety employees the City provides a 3%@50 retirement formula.

The contract provisions are as follows: single highest year, 4th Level 1959 Survivor Benefit, \$500 Lump Sum Death Benefit, Sick Leave Credit, Military Service Credit, 2% COLA and Pre-retirement Optional Settlement 2 Death Benefit. Please contact Human Resources or refer to the CalPERS website, www.calpers.ca.gov, for an explanation of these options.

LIUNA: Employees participate in a LIUNA Plan (Laborer’s International Union of North America), which is a supplemental defined benefit retirement plan. Benefit payouts are based on an age at retirement and years-of-service formula. Employees contribute 1.5% of salary.

Retiree Health Benefits Program: The City participates in a retiree medical benefit program for employees through a Medical Expense Reimbursement Program (MERP), with contributions paid by both the City and the employee. Employees hired prior to January 1, 2006 whose age and years of services total 50 or more, select from either the fully-converted plan or hybrid plan. This is a one-time, irrevocable selection. Employees employed after January 1, 2006 participate in the fully-converted plan only.

Retiree Medical Plans

<u>FULLY-CONVERTED PLAN</u>	<u>HYBRID PLAN</u>
<p>I. Payments by Employee to City to support program prior to retirement:</p> <p style="padding-left: 20px;">None</p> <p>II. Contributions to Employee MERP Account During Employment:</p> <ol style="list-style-type: none"> 1. 1% Salary Contribution (Employee contribution). 2. \$2.50 per month for each year of service plus age (City contribution; must be vested with 5 yrs City service). 3. \$100 per month for every month paid into "old" system prior to January 1, 2006 (15 year maximum); (City contribution at time of retirement—must retire from City). 4. Cash from conversion of leave at retirement (Employee contribution 50% of flex/vacation* and 30% of sick). <p>III. City Contributions to Employee MERP Account After Retirement:</p> <p style="padding-left: 20px;">None.</p> <p><small>*For distribution purposes, comp time will be applied the same as flex time.</small></p>	<p>I. Payment by Employee to City to support program prior to retirement:</p> <p style="padding-left: 20px;">\$100 per month until retirement</p> <p>II. Contributions to Employee MERP Account During Employment</p> <ol style="list-style-type: none"> 1. 1% Salary Contribution (Employee contribution). 2. No City Contribution. 3. \$75 per month for every month paid into "old" system prior to January 1, 2006 (15 year maximum); (City contribution at time of retirement—must retire from City). 4. Cash from conversion of leave at retirement (Employee contribution 50% of flex/vacation* and 30% of sick). <p>III. City Contributions to Employee MERP Account After Retirement:</p> <p style="padding-left: 20px;">\$400 per month.</p> <p><small>*For distribution purposes, comp time will be applied the same as flex time.</small></p>

MISCELLANEOUS

Direct Deposit: All newly hired employees shall receive their paycheck via direct deposit.

Probation Period: New hires serve a twelve (12) month probationary period and promoted employees are on probation for six (6) months. Executive Management positions are at-will and can be released from employment at any time.

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